LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH

June 18, 2014

TO:

Each Supervisor

FROM:

Marvin J. Southard, D.S.W.

Director

SUBJECT:

TERMINATION OF THE DEPARTMENT OF MENTAL HEALTH'S

PHARMACY AGREEMENT WITH SAYRE MEDICAL PHARMACY

This is to advise your Board of the termination of the Department of Mental Health's (DMH's) Pharmacy Agreement with Sayre Medical Pharmacy, Agreement No. MH150225. This agreement is being terminated by DMH under the Pharmacy Agreement, Paragraph 26 (TERMINATION FOR DEFAULT), due to the revocation of the Pharmacy Permit effective October 1, 2013.

Pursuant to Paragraph 5.A.(4) (PAYMENTS) of the Pharmacy Agreement, DMH will take the following steps to recover any money owed by Sayre Pharmacy due to inappropriately billed claims: DMH will issue Sayre Pharmacy up to three consecutive letters requesting payment of the final amount owed to DMH (each letter gives a 30-day response timeframe). If Sayre Pharmacy has not reimbursed DMH by the due date listed in the third and final request for payment, then DMH Accounting Division is required to forward the pharmacy's delinquent account, along with a copy of the original third request for payment, including amounts collected against the balance, if any, to the Treasurer and Tax Collector.

This Agreement was Board adopted on June 16, 2009, Synopsis No. 25, and the effective date of termination was June 12, 2014.

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If you have any questions or concerns regarding this termination, please contact me, or your staff may contact Richard Kushi, Chief, Contracts Development and Administration Division, at (213) 738-4684.

MJS:MM:RK:pd

c: Executive Officer, Board of Supervisors
Chief Executive Officer
County Counsel
Robin Kay, Ph.D.
Roderick Shaner, M.D.
Margo Morales
Deputy Directors
District Chiefs
Richard Kushi
Russell Kim
Gerald Ko

Peter de Gyarfas